

STATE OF TENNESSEE  
**DEPARTMENT OF CHILDREN'S SERVICES**  
436 6<sup>TH</sup> AVENUE NORTH  
7<sup>TH</sup> FLOOR, CORDELL HULL BUILDING  
NASHVILLE, TENNESSEE 37243-1290

To: All Interested Providers

From: Contracts and Grants Management Unit

Date: August 2, 2005

Subject: Announcement of Funding

The following Announcements of Funding are to be posted today:

Levels of Care System

These announcements may be found at the following website:

[http://www.state.tn.us/youth/providers/Procurement\\_Contracting\\_Opps.html](http://www.state.tn.us/youth/providers/Procurement_Contracting_Opps.html)

A sample contract and the scope of services follow the announcement.

If you are interested in providing these services, please complete the proposal and budget of the attached Announcement of Funding and return to Diane Craver, at the address above, no later than the date identified in Section 2 of this AOF.

**NOTE:** The scope of the services being procured involves the assessment of the service needs of custodial children and cost reimbursement to receiving agencies. Allowing contracted vendors to establish level of need for their own referrals or those of their competitors would create conflict of interest condition. For this reason, agencies currently contracted with DCS for the provision of residential or foster care services to children in custody are prohibited from submitting a proposal for these services. In similar fashion, the successful vendor for this contract may not enter into a direct care contract with DCS to provide services to children outside of the defined scope of this contract during the life of this contract. Nor may the successful vendor subcontract with residential providers.

We appreciate your interest in providing services for the children of Tennessee.



**STATE OF TENNESSEE  
DEPARTMENT OF CHILDREN'S SERVICES**

**ANNOUNCEMENT OF FUNDING  
FOR  
LEVELS OF CARE SYSTEM**

**RFS 359.30-514**

<b>Section 1</b>	<b>Introduction</b>
<b>Section 2</b>	<b>Announcement of Funding Schedule</b>
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<b>Section 4</b>	<b>Proposal Information</b>
<b>Section 5</b>	<b>Proposal Format</b>
<b>Section 6</b>	<b>Technical Proposal Requirements</b>
<b>Section 7</b>	<b>Presentation</b>
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<b>Section 9</b>	<b>Attachments: Grant and Scope of Services/Budget Form</b>

## **1. INTRODUCTION**

### **Statement of Purpose**

The purpose of this FUNDING OPPORTUNITY is to define the State's minimum requirements, solicit grant proposals, and gain adequate information by which the State may evaluate the services offered by Proposers.

The State of Tennessee, Department of Children's Services, hereinafter referred to as the State, intends to secure a GRANT for designing and implementing a system of assessing and determining the appropriate level of care for residential care and treatment of children in the custody of the Department of Children's Services (DCS).

Children in the custody of DCS must be assessed to determine the least restrictive and most appropriate placement for them. DCS seeks assistance in managing this system to best determine the correct placement and assuring that such a placement is available. Tennessee currently has approximately 4,000 children placed with private agencies that would require an initial level of care review between January 1 and June 30, 2006. It is estimated that in subsequent years the number of children requiring an initial level review will be between four (4) and five (5) thousand. The number of continued stay reviews conducted annually will be determined by frequency required for each level of care and the rate of children entering and leaving custody that also require placement with a private agency. DCS currently contracts with 110 Provider agencies statewide and has approximately 225 residential contracts.

#### **NOTE:**

The scope of the services being procured involves the assessment of the service needs of custodial children and cost reimbursement to receiving agencies. Allowing contracted vendors to establish level of need for their own referrals or those of their competitors would create conflict of interest condition. For this reason, agencies currently contracted with DCS for the provision of residential or foster care services to children in custody are prohibited from submitting a proposal for these services. In similar fashion, the successful vendor for this contract may not enter into a direct care contract with DCS to provide services to children outside of the defined scope of this contract during the life of this contract. Nor may the successful vendor subcontract with residential providers.

### **Scope of Service**

***The Scope of Service is detailed in Section 9 in the Grant Attachment.***

### **Grant Contract Duration**

Grant Contract Term. This Grant Contract shall be effective for the period commencing on October 15, 2005 and ending on June 30, 2008. The State shall have no obligation for services rendered by the Grantee that are not performed within the specified period.

### **Proposal Deadline**

Grant Proposals shall be submitted no later than the Proposal Deadline time and date detailed in the Section 2, Schedule of Events. A Proposer's failure to submit a Proposal as required before the deadline shall cause the proposal to be disqualified.

Proposers assume the risk of the method of dispatch chosen. The State assumes no responsibility for delays caused by any delivery service. Postmarking by the due date shall not substitute for

actual proposal receipt by the State. Late grant proposals shall not be accepted nor shall additional time be granted to any potential Proposer.

Grant Proposals may not be delivered orally, by facsimile transmission, or by other telecommunication or electronic means.

## 2. ANNOUNCEMENT OF FUNDING SCHEDULE

The following Schedule of Events represents the State's best estimate of the schedule that shall be followed. Unless otherwise specified, the time of day for the following events shall be between 8:00 a.m. and 4:30 p.m., Central Time.

The State reserves the right, at its sole discretion, to adjust this schedule as it deems necessary. Notification of any adjustment to the Schedule of Events shall be provided to all vendors.

	EVENT	DATE	TIME
1	State Announcement of Funding	August 2, 2005	
2	Deadline for Letter of Intent to Propose	August 8, 2005	
3	Deadline for Written Comments	August 10, 2005	
4	State Issues Responses to Written Comments	August 12, 2005	
5	<b>Deadline for Submitting a Proposal and State Opens Technical Proposals</b>	August 31, 2005	9:00 a.m.
6	State completes evaluation of technical proposals	September 02, 2005	
7	Top Three Scoring Agencies Present Oral Proposal	September 8 & 9 2005	
8	State opens budget proposal and completes Evaluations of Grant Proposals	September 13, 2005	
9	State Sends Notice to Proposers <u>and</u> State Opens Files for Public Inspection	September 16, 2005	9:00 a.m.
10	Conclusion of Contract Negotiation, and Contract Signing	September 26, 2005	
11	Anticipated Contract Start Date	October 15, 2005	

### **3. COMMUNICATION REQUIREMENTS AND OTHER INFORMATION**

#### **COORDINATOR:**

The following Coordinator shall be the main point of contact for this Announcement of Funding.

Diane Craver  
Department of Children's Services  
436 Sixth Avenue North  
Nashville, TN 37243-1290  
615-741-9854  
615-244-8969

#### **Communications Regarding the Announcement of Funding**

- All vendor communications concerning this procurement must be directed to the Coordinator. Unauthorized contact regarding this procurement with other State employees of the procuring state agency may result in disqualification.
- All communications should be in writing to the Coordinator. Any oral communications shall be considered unofficial and nonbinding on the State
- Any communication sent by facsimile transmission must also be sent by United States mail on the same date.
- The State shall respond in writing to written communications. The State reserves the right, at its sole discretion, to determine appropriate and adequate responses to written comments, questions, and requests for clarification.

#### **Right of Rejection**

- The State reserves the right, at its sole discretion, to reject any and all grant proposals or to cancel the Announcement of Funding in its entirety.
- Any proposal received, which does not meet the requirements of this Announcement of Funds, may be considered to be non-responsive, and the proposal may be rejected.

#### **Grantee Selection Criterion**

All grant proposals are reviewed by a group of state employees selected by the Department of Children's Services. The minimum number of state employees on a review team will be three. Based on the evaluations of the panel selections will be made and submitted for final approval to the Commissioner of the Department of Children's services or his/her designee.

The Department of Children's Services reserves the right to further negotiate grant proposals submitted for consideration.

#### 4. PROPOSAL INFORMATION

##### **SUBMITTING THE PROPOSAL:**

- All grant proposals **MUST** be submitted to the Department of Children's Services with the items identified below at the following address:

Diane Craver  
Department of Children's Services  
436 Sixth Avenue North  
Cordell Hull Building, 7<sup>th</sup> Floor  
Nashville, TN 37243-1290

- Proposers **MUST** submit copies of the following items in separate sealed folders:
  - ✓ **Five (5)** Announcement of Funding Grant Proposals
  - ✓ **One (1)** Budget proposal (**must** use Attachment A format) for each fiscal year for a total of five (5) budgets:

10/15/05 – 6/30/06  
7/01/06 – 6/30/07  
7/01/07– 6/30/08

**Possible additional two-year period**  
7/01/08– 6/30/09  
7/01/09– 6/30/10
  - ✓ An administrator empowered to enter into a contractual relationship with the state must sign proposal.

##### **EVALUATION OF PROPOSALS**

There will be a three-part process to evaluating proposals and selecting the winning proposal:

1. Proposers technical proposals will be evaluated by a team of state employees and assigned scores;
2. Scores will be tabulated by the Coordinator and three (3) proposals with the highest scores will be selected to move onto the next level. All other proposals will be rejected. If more than three proposals (one or more having the same scores) obtain the highest score they will be selected to move onto the next level;
3. The top proposals (as defined above) will be invited to make an oral presentation to the same group of state employees that evaluated the technical proposals. Scores will be assigned for oral presentations;
4. The Coordinator will compile the technical scores and oral scores.
5. The budget proposal will be evaluated and the scores added to the technical and oral scores. The proposal with the highest score will be recommended to the Commissioner for her approval.

## **5. PROPOSAL FORMAT**

- Grant Proposals should be prepared simply and economically and provide a straightforward, concise description of the Proposer's capabilities to satisfy the requirements of the Announcement of Funds. Emphasis should be on completeness and clarity of content.
- Proposers must follow all formats and address all portions of the Announcement of Funds set forth herein providing all information requested.
- Proposers must respond to every section identified. Proposers must label each response with the section numbers associated with the subject requirement.
- Proposal materials must be submitted in the order indicated on the checklist.

Failure to follow the specified format, to label the responses correctly, or to address all of the sections may, at the State's sole discretion, result in the rejection of the Proposal.

- Grant Proposals shall be type written, double spaced on standard 8 1/2" x 11" white paper, Font size of 10 with 1" margins.
- All proposal pages must be numbered and stapled or otherwise secured.
- The proposal must include a table of contents
- The number of copies for each item must be submitted as indicated.



## 6. TECHNICAL PROPOSAL REQUIREMENTS

TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION C				
<b>PROPOSER NAME:</b>				
<b>SECTION C — TECHNICAL APPROACH</b>				
<p>The Proposer must address ALL Technical Approach section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:</p> <p style="text-align: center;"><i>0 = little value      1 = poor      2 = fair      3 = satisfactory      4 = good      5 = excellent</i></p> <p>The RFP Coordinator will multiply each item score by the assigned weight with the product being the item's raw weighted score for purposes of calculating the section score as detailed at the end of this table.</p>				
Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY		
		Score	Item Weight	Raw Weighted Score
	<b>C.1</b> Provide a narrative that illustrates the Proposer's understanding of the State's requirements and project schedule.		<b>20</b>	
	<b>C.2</b> Provide a narrative that illustrates how the Proposer will complete the scope of services, accomplish required objectives, and meet the State's project schedule.			
	a. Explain how Proposer will organize, to show how there is a feedback loop at individual case manager/ child and family level, at the local/regional level and at the state level. Provider must also demonstrate/discuss how they will communicate with provider agencies		<b>3</b>	
	b. Explain how Proposer will engage in necessary discussions with the local/regional office management staff and work in partnership with the local, regional and state DCS office and the private provider community.		<b>2</b>	
	c. Address the level of participation of direct care staff with the Child and Family Team, i.e. attendance at the meeting, timely report writing with placement recommendations, frequency of meetings with local case manager, communication with provider agencies.		<b>3</b>	
	d. Describe recommended assessment protocol that will be used including recommended instruments, methodology of administration, and data regarding effectiveness with target population.		<b>10</b>	

	e. Demonstrate past history of successful collaborative efforts with other state agencies, private placement provider agencies. Discuss both challenges, which have been overcome, and challenges, which are still in the process of being overcome. Proposer must identify any obstacles to successful collaboration and describe how they would attempt to overcome these obstacles.		<b>3</b>	
	f. Discuss how Proposer and their services will be assessed.		<b>1</b>	
	g. Explain the development of a computerized matching system, which will list possible recommended placements to the Child and Family Team.		<b>2</b>	
	h. Describe how Proposer will resolve disagreements or conflict surrounding the recommendations.		<b>2</b>	
	i. Describe/demonstrate how DCS staff and providers will be trained in the placement process. Demonstrate coordination between Proposer and the Training Consortium to ensure an efficient delivery of training.		<b>1</b>	
	j. Describe proposed Information Systems capacity and capability.		<b>2</b>	
	k. Describe data maintenance process & procedures that would be used.		<b>1</b>	
	<b>C.3</b> Provide a narrative that illustrates how the Proposer will manage the project, ensure completion of the scope of services, and accomplish required objectives within the State's project schedule.		<b>20</b>	
<b>Total Raw Weighted Score:</b> <i>(sum of Raw Weighted Scores above)</i>				
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;"> <b>Total Raw Weighted Score</b>  <hr style="width: 50%; margin: 0 auto;"/> <b>maximum possible raw weighted score</b>  <i>(i.e., 5 x the sum of item weights above)</i> </div> <div style="text-align: center;"> <b>X 30</b>  <i>(maximum section score)</i> </div> <div style="text-align: center;"> <b>= SCORE:</b> </div> </div>				

## 7. ORAL PROPOSAL REQUIREMENTS

	<b>ORAL PRESENTATION EVALUATION FORM</b>				
<b>PROPOSER NAME:</b>					
<b>SECTION C — TECHNICAL APPROACH</b>					
<p>The Proposer must address ALL Oral Presentation section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:</p>					
<i>0 = little value</i>	<i>1 = poor</i>	<i>2 = fair</i>	<i>3 = satisfactory</i>	<i>4 = good</i>	<i>5 = excellent</i>
<p>The RFP Coordinator will multiply each item score by the assigned weight with the product being the item's raw weighted score for purposes of calculating the section score as detailed at the end of this table.</p>					
<p><b>Demonstrate through a creative and innovative presentation your comprehensive vision on how the Unified Placement System should function.</b></p>					
Proposal Page # (to be completed by Proposer)	Oral Presentation Items	State Use ONLY			
		Score	Item Weight	Raw Weighted Score	
	D.1 Demonstrate a comprehensive and detailed vision of how the assessment process would operate within the context of the practice model.		<b>10</b>		
	D.2 Demonstrate the operations of the LOC.		<b>5</b>		
	D.3 Demonstrate the collaborative efforts that would be incorporated into the placement process and identify stakeholders.		<b>5</b>		
	D.4 Describe the process and intervals at which assessments and reassessments will occur.		<b>2</b>		
	D.6 Demonstrate the process by which reviews would be conducted and feedback provided to DCS. Incorporate instruments as outlined in A.2.b of the Scope of Services.		<b>5</b>		
	D.7 Communicate the level & frequency of reviews, demonstrating the urgency of permanency needs of children.		<b>3</b>		
<p><b>Total Raw Weighted Score:</b> (sum of Raw Weighted Scores above)</p>					
<p><b><u>Total Raw Weighted Score</u></b> maximum possible raw weighted score (i.e., 5 x the sum of item weights above)</p>		<p><b>X 30</b> (maximum section score)</p>		<p><b>= SCORE:</b></p>	

## 8. BUDGET PROPOSAL

### ATTACHMENT A

### GRANT BUDGET

**GRANTEE:** \_\_\_\_\_ [NAME]

**PROGRAM AREA:** \_\_\_\_\_ [PROGRAM NAME]

Refer to Department of Finance and Administration Policy 03, Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A for further definition of each expense object line-item in the model budget format. Policy 03 can be found on the Internet at: <http://www.state.tn.us/finance/rds/ocr/policy03.pdf>

**THE FOLLOWING IS APPLICABLE TO EXPENSE INCURRED IN THE PERIOD: [DATE] through [DATE]**

<b>POLICY 03 Object Line-item Reference</b>	<b>EXPENSE OBJECT LINE-ITEM CATEGORY (detail schedule(s) attached as applicable)</b>	<b>GRANT CONTRACT</b>	<b>GRANTEE MATCH (participation)</b>	<b>TOTAL PROJECT</b>
3	Total Personnel (detail attached) Salaries Benefits & Payroll Taxes	0.00	0.00	0.00
4, 15	Professional Fee/ Grant & Award (detail attached)	0.00	0.00	0.00
5 6 7 8 9 10	Non-Personnel Supplies Telephone Postage & Shipping Occupancy Equipment Rental & Maintenance Printing & Publications	0.00	0.00	0.00
11, 12	Travel/ Conferences & Meetings (detail attached)	0.00	0.00	0.00
13	Interest	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation	0.00	0.00	0.00
18	Other Non-Personnel	0.00	0.00	0.00
20	Capital Purchase	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	<b>GRAND TOTAL</b>	0.00	0.00	0.00

<i>LINE-ITEM DETAIL FOR: Salaries, Benefits &amp; Payroll Taxes</i>	<i>AMOUNT</i>
<i>TOTAL</i>	

<i>LINE-ITEM DETAIL FOR: Professional Fee/ Grant &amp; Award</i>	<i>AMOUNT</i>
<i>TOTAL</i>	

<i>LINE-ITEM DETAIL FOR: Travel/ Conferences &amp; Meetings</i>	<i>AMOUNT</i>
<i>TOTAL</i>	

**TOTAL POINTS = 40**

<div> Lowest Evaluation Cost Amount from <u>all</u> Proposals </div> <div> Evaluation Cost Amount Being Evaluated </div>	<div> <b>X 40</b>  (maximum section score) </div>	<div> = </div> <div> <b>SCORE:</b> </div>	
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## **SECTION 9**

### **Attachments:**

**Grant and Scope of Services**

**Budget Form**

**GRANT CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF CHILDREN'S SERVICES  
AND  
[GRANTEE NAME]**

This Grant Contract, by and between the State of Tennessee, Department of Children's Services (DCS), hereinafter referred to as the 'State' and [GRANTEE LEGAL ENTITY NAME], hereinafter referred to as the "Grantee," is for the provision of assessment, reviews and leveling services, as further defined in the "SCOPE OF SERVICES."

The Grantee is [AN INDIVIDUAL / A FOR-PROFIT CORPORATION / A NONPROFIT CORPORATION / A SPECIAL PURPOSE CORPORATION OR ASSOCIATION / A FRATERNAL OR PATRIOTIC ORGANIZATION / A PARTNERSHIP / A JOINT VENTURE / A LIMITED LIABILITY COMPANY].

The Grantee's place of incorporation or organization is [STATE OF ORGANIZATION].

**A. SCOPE OF SERVICES:**

**A.1. Planning and design of level implementation:**

Consultation with DCS including revision of the rate structure for private child care placements to a Levels of Care (LOC) system based on level of need presented by custodial children and their families and the community resources required to meet those needs:

- a. The Grantee will work with DCS to determine LOC structure and provider payment methodology.
- b. The Grantee will measure or assess the needs of children in existing private placements prior to new levels taking effect.
- c. The Grantee will consult with DCS to devise policies for provider compliance, provider policy manual revision, provider appeal process, referral packet information, progress report and DCS measures of recourse for provider non-compliance with Level of Care determinations and re-determinations.

**A.2. Initial and concurrent reviews:**

Conduct periodic reviews by level of care to determine current and anticipated level of need as children proceed through treatment and placements. These reviews will utilize industry accepted standard instruments, which gauge both the clinical needs of children served and the contextual strengths and assets available to the child and family. All instruments shall be reviewed and approved by DCS before utilizing.

- a. The Grantee will deploy staff in each DCS region to be co-located with the placement staff who will review DCS-generated functional family assessment information and review or administer such instruments as may be required to determine the needs and progress of children upon entering a private placement and at set intervals thereafter by level of care. The regional staff shall be a master's level clinician with a minimum of three (3) years practical experience. The location and number of staff throughout the state shall be a joint decision between the Grantee and DCS.
- b. Once it has been determined by a child and family team or by DCS staff that a child is bound for a private placement, the Grantee will utilize valid and accepted instruments, approved by DCS, to determine the clinical needs of children and other

valid and accepted instruments, which will measure the strengths, assets or resources available to the child and family.

- c. The Grantee shall, at defined intervals, re-assess/re-evaluate each child in placement to determine continued level of care. This does not necessarily mean a placement move, as the child may remain in a stable placement or location and the level assigned to the clinical need of the child will increase or decrease in accordance with the changing needs of that child.

A.3. Placement Assistance:

In consultation with DCS staff and the direction of Child and Family teams, the Grantee will recommend placements based on the treatment needs of children and their families and the ability of placements to meet those needs.

- a. Placement shall remain the responsibility of DCS.
- b. The Grantee will recommend to the DCS resource units the providers who offer the array of services needed for the child and family and will assign a level of care to the needs for the child at that time.
- c. The Grantee will develop relationships with providers, through on site visits, in the region to better understand the placement and clinical capacity of local providers.
- d. The Grantee will collect program information from DCS contract vendors of services in order to become familiar with services offered and will begin provider visits within sixty (60) days of the contract award.
- e. The Grantee shall provide DCS with a written level of care recommendation with supporting documentation within one working day of referral for an initial LOC determination.

A.4. Training:

The Grantee will offer regular training and as requested by DCS to DCS placement, DCS field staff and to providers about the level of care assignment process and the appeal rights regarding level assignment.

- a. The Grantee will conduct orientation in all regions to unveil the process prior to implementation of the redesign. Urban regions of Davidson, Knox, and Hamilton Counties may be combined with the region immediately surrounding the urban region.
- b. The Grantee will train providers to complete "progress reports" on regular review schedules as determined by level of care, which will assist and inform the re-determination process.
- c. The Grantee will participate in child and Family team meetings as a consultant requested by DCS to present treatment options.
- d. The Grantee will coordinate all training through the University Consortium and the DCS Training Division to assure best-practice training standards and training in accordance with DCS guiding principles and standards for professional practice.
- e. The Grantee shall train appropriate DCS staff on the administration of the instruments that will be used to collect data for interpretation by the Grantee.



A.5. Provider Effectiveness:

The Grantee will track agency performance in meeting the clinical needs of children and families by comparing outcomes of similar providers in terms of rates of progress toward Permanency.

- a. Grantee will conduct semi-annual reviews of all provider agencies by a planned, announced visit to review case files and treatment processes with a focus on clinical decision-making and provider interventions toward permanency and well-being of children.
- b. Grantee will provide feedback to each provider and to DCS about the findings of such visits and will coordinate these monitoring efforts with the data collection efforts of Chapin Hall (or other such consultants of DCS) as well as with any internal DCS monitoring agents such as Child Placement & Private Providers Division (CPPP), Program Accountability Review (PAR), Licensure, and Contract Monitoring.

A.6. Information Systems (IS)

The Grantee will track the level assignments given to children over time including the components of progress or deterioration, so as to predict the treatment needs of the child and to track provider or program efficacy.

- a. Grantee will establish, staff, and maintain internal IS department to work with DCS IS staff to set-up computers & secure network, resolve security issue with DCS and private providers, and youth tracking.
- b. Grantee will establish method to accurately identify current location of each child with demographics in DCS SACWIS system and transfer to Grantee database.
- c. Grantee will develop assessment and tracking methods for children's initial Level of Care determinations and subsequent determinations.
- d. The Grantee will coordinate and seek approval from the DCS Office of Information Technology Division on all IS activities to assure compliance with DCS systems requirements.

A.7. Maintain Data:

The Grantee shall store, maintain, and retrieve upon request individual and aggregate data on all level reviews conducted. This data remains the property of DCS and is relayed to DCS in a mutually agreeable format upon request. Additionally, any data relative to the performance of providers remains the property of DCS and is stored, maintained, and relayed to DCS as stated above. Client and Grantee data is proprietary information and is subject to any applicable privacy guidelines defined in the Healthcare Insurance Privacy and Portability Act (HIPPA) of 1996, the confidentiality regulations of 42CFR, or other federal statutes. Dissemination of information by the provider without express, written consent of the department is prohibited.

A.8. Consultation with DCS:

The Grantee will meet with DCS at specified timeframes to assure accountability for design, implementation, and quality of services. This will include regular review meetings with DCS Central Office Administration and regular communication from field reviewers for communication issues and disputes with providers.

B. GRANT CONTRACT TERM:

B.1. Grant Contract Term. This Grant Contract shall be effective for the period commencing on **October 15, 2005** and ending on **June 30, 2008**. The State shall have no obligation for services rendered by the Grantee which are not performed within the specified period.

B.2. Term Extension. The State reserves the right to extend this Grant Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than **two (2)** years, provided that the State notifies the Grantee in writing of its

intention to do so prior to the Grant Contract expiration date. An extension of the term of this Grant Contract will be effected through an amendment to the Grant Contract. If the extension of the Grant Contract necessitates additional funding beyond that which was included in the original Grant Contract, the increase in the State's maximum liability will also be effected through an amendment to the Grant Contract.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed **[WRITTEN DOLLAR AMOUNT]** (**\$(NUMBER)**). The Grant Budget, attached and incorporated herein as a part of this Grant Contract as Attachment **A**, shall constitute the maximum amount due the Grantee for the service and all of the Grantee's obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The maximum liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.5.
- C.3. Payment Methodology. The Grantee shall be compensated for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in Section C.1. Upon progress toward the completion of the work, as described in Section A of this Grant Contract, the Grantee shall submit invoices, in form and substance acceptable to the State, with all of the necessary supporting documentation, prior to any reimbursement of allowable costs. Such invoices shall be submitted no more often than monthly and indicate at a minimum the amount charged by budget line-item for the period invoiced, the amount charged by line-item to date, the total amount charged for the period invoiced, and the total amount charged under this Grant Contract to date.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time and subject to the Grant Budget.
- C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase the total Grant Contract amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Contract amount shall require a contract amendment.
- C.6. Disbursement Reconciliation and Close Out. The Grantee shall submit a final grant disbursement reconciliation report within thirty (30) days of the end of the Grant Contract. Said report shall be in form and substance acceptable to the State. The State will not be responsible for the payment of invoices that are submitted to the state after the final grant disbursement reconciliation report.

If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the Section C, Payment Terms and Conditions of this Grant Contract, the Grantee shall refund the difference to the State. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

The Grantee must close out its accounting records at the end of the grant period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

- C.7. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency and the State. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate to amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the grant period. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency and the State. If the indirect cost rate is provisional during the term of this agreement, once the rate becomes final, the

Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.

- C.8. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Grant Contract period.
- C.9. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the costs invoiced therein.
- C.10. Unallowable Costs. The Grantee's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, not to constitute allowable costs.
- C.11. Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Grantee under this or any Contract between the Grantee and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Grantee.
- C.12. Automatic Deposits. The Grantee shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Grantee by the State. Once this form has been completed and submitted to the State by the Grantee all payments to the Grantee, under this or any other contract the Grantee has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Grantee shall not invoice the State for services until the Grantee has completed this form and submitted it to the State.
- D. STANDARD TERMS AND CONDITIONS:
- D.1. Required Approvals. The State is not bound by this Grant Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.
- D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service which has not been rendered. The final decision as to the amount, for which the State is liable, shall be determined by the State. Should the State exercise this provision, the Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate the Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.
- D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Grant Contract pertaining to Conflicts of Interest, Lobbying, Nondiscrimination, Public Accountability, and Public Notice (Sections D.6, D.7, D.8, D.9, and

- D.10). Notwithstanding any use of approved subcontractors, the Grantee shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.
- D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
  - c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients of federally appropriated funds shall certify and disclose accordingly.
- D.8. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.9. Public Accountability. If this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Grantee agrees to display a sign stating:
- "NOTICE: This Grantee is a recipient of taxpayer funding. If you observe an employee engaging in any activity which you consider to be illegal or improper, please call the State Comptroller's toll free hotline: 1-800-232-5454"
- Said sign shall be displayed in a prominent place, located near the passageway(s) through which the public enters in order to receive Grant supported services.
- D.10. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee shall include the statement, "This project is funded under an agreement with the State of Tennessee." Any such notices by the Grantee shall be approved by the State.
- D.11. Licensure. The Grantee and its employees and all sub-grantees shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.12. Records. The Grantee shall maintain documentation for all charges against the State under this Grant Contract. The books, records, and documents of the Grantee, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained for a period of three

(3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the state agency, the Comptroller of the Treasury, or their duly appointed representatives. The records of not-for-profit entities shall be maintained in accordance with the *Accounting Manual for the Recipients of Grant Funds in the State of Tennessee*, published by the Tennessee Comptroller of the Treasury. The financial statements shall be prepared in accordance with generally accepted accounting principles.

- D.13. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.14. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.15. Annual Report and Audit. The Grantee shall prepare and submit, within nine (9) months after the close of the reporting period, an annual report of its activities funded under this Grant Contract to the commissioner or head of the Granting agency, the Tennessee Comptroller of the Treasury, and the Commissioner of Finance and Administration. The annual report for any Grantee that receives five hundred thousand dollars (\$500,000) or more in aggregate federal and state funding for all its programs shall include audited financial statements. All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Grantee may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the *Audit Manual for Governmental Units and Recipients of Grant Funds* published by the Tennessee Comptroller of the Treasury. The Grantee shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Grantee shall be subject to the provisions relating to such fees contained in the prescribed contract form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the State Granting Department, the Tennessee Comptroller of the Treasury, and the Department of Finance and Administration and shall be made available to the public.
- D.16. Procurement. If the other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, and/or services, such procurement shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. Further, if such reimbursement is to be made with funds derived wholly or partially from federal sources, the determination of cost shall be governed by and reimbursement shall be subject to the Grantee's compliance with applicable federal procurement requirements.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

- D.17. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.18. Independent Contractor. The parties hereto, in the performance of this Grant Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Grant Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Grantee, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Grantee's employees, and to pay all applicable taxes incident to this Grant Contract.

- D.19. State Liability. The State shall have no liability except as specifically provided in this Grant Contract.
- D.20. Force Majeure. The obligations of the parties to this Grant Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.
- D.21. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract.
- D.22. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under **Tennessee Code Annotated**, Sections 9-8-101 through 9-8-407.
- D.23. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.24. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.25. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.
- E. SPECIAL TERMS AND CONDITIONS:
- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State:

Department of Children's Services  
Child Placement & Private Providers Division  
Suzanne White, Director  
8<sup>th</sup> Floor, Cordell Hull Building  
436 Sixth Avenue North  
Nashville, TN 37243-1290  
Phone: 615-741-8425  
Fax: 615-532-2263  
e-mail: [Suzanne.g.white@state.tn.us](mailto:Suzanne.g.white@state.tn.us)

The Grantee:

[NAME AND TITLE OF GRANTEE CONTACT PERSON]  
[GRANTEE NAME]  
[ADDRESS]  
[TELEPHONE NUMBER]  
[FACSIMILE NUMBER]

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the telefax machine at the receiving location and receipt is confirmed telephonically by the sender if prior to 4:30 p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

- E.3. Subject to Funds Availability. The Grant Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Grant Contract upon written notice to the Grantee. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of ***Tennessee Code Annotated***, Section 12-7-101, *et seq.*, shall be printed unless a printing authorization number has been obtained and affixed as required by ***Tennessee Code Annotated***, Section 12-7-103 (d).
- E.5. Authorized Individuals. Each party hereto has provided the other party hereto with a list identifying the individuals from whom the other party is authorized to accept any notices, requests, demands, or other advice which may be given hereunder by the party providing such list. Said lists, which are attached hereto as Attachment B, shall be valid until revoked or amended by further written notice. The parties hereto shall only be entitled to rely on notices, requests, demands, or other advice given by such individuals.
- E.6. State Furnished Property. The Grantee shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Grantee's temporary use under this Grant Contract. Upon termination of this Grant Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the residual value of the property at the time of loss.
- E.7. State Interest in Equipment. The Grantee shall take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. "Equipment" shall be defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds \$5,000.00.

As authorized by the provisions of the terms of the Tennessee Uniform Commercial Code — Secured Transaction, found at Title 47, Chapter 9 of the ***Tennessee Code Annotated***, and the provisions of the Tennessee Motor Vehicle Title and Registration Law, found at Title 55, Chapter 1 of the ***Tennessee Code Annotated***, an intent of this Grant document and the parties hereto is to create and acknowledge a security interest in favor of the State in the equipment and/or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant document. A further intent of this Grant document is to acknowledge and continue the security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of



this program's prior year Grants between the State and the Grantee.

The Grantee hereto grants the State a security interest in said equipment. This agreement is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said equipment. The Grantee agrees that the State may file this Grant Contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the State, upon the State's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant Contract in such form as the State may require to perfect a security interest with respect to said equipment. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the State may reasonably require. Without the prior written consent of the State, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Contract, including the covenants to pay when due all sums secured by this Grant Contract, the State shall have the remedies of a secured party under the Uniform Commercial Code and, at the State's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. The Grantee shall maintain a perpetual inventory system for all equipment purchased with funds provided under this Grant Contract and shall submit an inventory control report which must include, at a minimum, the following:

- a. Description of the equipment;
- b. Manufacturer's serial number or other identification number, when applicable;
- c. Consecutive inventory equipment tag identification;
- d. Acquisition date, cost, and check number;
- e. Fund source, State grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Grantee's operations where the equipment is used;
- h. Condition of the property or disposition date if Grantee no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment with an identification number which is cross referenced to the equipment item on the inventory control report. The Grantee shall inventory equipment annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment purchased with this grant with the final expenditure report as required under Section C.5. of this Grant Contract. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment loss describing reason(s) for the loss. Should the equipment be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment purchased with Grant funds. All equipment shall be disposed of in such a manner as parties may agree from among



alternatives approved by Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

- E.8. Workpapers Subject to Review. The Grantee shall make all audit, accounting, or financial analysis workpapers, notes, and other documents available for review by the Comptroller of the Treasury or his representatives, upon request, during normal working hours either while the analysis is in progress or subsequent to the completion of this Grant.
- E.9. Prohibited Advertising. The Grantee shall not refer to this Grant or the Grantee's relationship with the State hereunder in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed.
- E.10. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Grantee to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Grantee's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Grantee of this Contract; previously possessed by the Grantee without written obligations to the State to protect it; acquired by the Grantee without written restrictions against disclosure from a third party which, to the Grantee's knowledge, is free to disclose the information; independently developed by the Grantee without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Grantee to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- E.11. HIPAA Compliance. The State and Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.
  - a. Grantee warrants to the State that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this contract.
  - b. Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the grant so that both parties will be in compliance with HIPAA.
  - c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the State and Grantee in compliance with HIPAA. This provision shall not apply if information received by the State under this grant is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the State to receive such information without entering into a business associate agreement or signing another such document.
- E.12. Copyrights and Patents. The Grantee agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Grantee's performance of this Grant Contract. In any such action brought against the State, the Grantee shall satisfy and indemnify the State for the amount

of any final judgment for infringement. The Grantee further agrees it shall be liable for the reasonable fees of attorneys for the State in the event such service is necessitated to enforce the terms of this Grant Contract or otherwise enforce the obligations of the Grantee to the State. The State shall give the Grantee written notice of any such claim or suit and full right and opportunity to conduct the Grantee's own defense thereof.

- E.13. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.
- E.14. Date/Time Hold Harmless. As required by **Tennessee Code Annotated**, Section 12-4-118, the contractor shall hold harmless and indemnify the State of Tennessee; its officers and employees; and any agency or political subdivision of the State for any breach of contract caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort or otherwise process dates or times.
- E.15. Hold Harmless. The Grantee agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Grantee, its employees, or any person acting for or on its or their behalf relating to this Grant Contract. The Grantee further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Grant Contract or otherwise enforce the obligations of the Grantee to the State.

In the event of any such suit or claim, the Grantee shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Grantee written notice of any such claim or suit, and the Grantee shall have full right and obligation to conduct the Grantee's own defense thereof. Nothing contained herein shall be deemed to accord to the Grantee, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by **Tennessee Code Annotated**, Section 8-6-106.

- E.16. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it and its principles:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or State department or agency;
  - b. have not within a three (3) year period preceding this Grant been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining attempting to obtain, or performing a public (Federal, State, or Local) transaction or grant under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or Local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Grant had one or more public transactions (Federal, State, or Local) terminated for cause or default.
- E.17. State Ownership of Work Products. The State shall have all ownership right, title, and interest, including ownership of copyright, in all work products created, designed, developed, derived, documented, installed, or delivered to the State under this Grant. The State shall have royalty-free and unlimited rights to use, disclose, reproduce, or publish, for any purpose whatsoever, all

said work products. The Grantee shall furnish such information and data upon request of the State, in accordance with the Contract and applicable State law.

- E.18. Competitive Procurements. This Grant provides for reimbursement of the cost of goods, materials, supplies, equipment, or services. Such procurements shall be made on a competitive basis, where practical.

**IN WITNESS WHEREOF:**

**[GRANTEE LEGAL ENTITY NAME]:**

---

**[NAME AND TITLE]**

**Date**

**DEPARTMENT OF CHILDREN'S SERVICES:**

---

**Viola P. Miller, Commissioner**

**Date**

**APPROVED:**

**DEPARTMENT OF FINANCE AND ADMINISTRATION:**

---

**M. D. Goetz, Jr., Commissioner**

**Date**

**COMPTROLLER OF THE TREASURY:**

---

**John G. Morgan, Comptroller of the Treasury**

**Date**

## ATTACHMENT A

### GRANT BUDGET

**GRANTEE:** [NAME]

**PROGRAM AREA:** [PROGRAM NAME]

Refer to Department of Finance and Administration Policy 03, Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A for further definition of each expense object line-item in the model budget format. Policy 03 can be found on the Internet at: <http://www.state.tn.us/finance/rds/ocr/policy03.pdf>

**THE FOLLOWING IS APPLICABLE TO EXPENSE INCURRED IN THE PERIOD: [DATE] through [DATE]**

<b>POLICY 03 Object Line-item Reference</b>	<b>EXPENSE OBJECT LINE-ITEM CATEGORY (detail schedule(s) attached as applicable)</b>	<b>GRANT CONTRACT</b>	<b>GRANTEE MATCH (participation)</b>	<b>TOTAL PROJECT</b>
3	Total Personnel (detail attached) Salaries Benefits & Payroll Taxes	0.00	0.00	0.00
4, 15	Professional Fee/ Grant & Award (detail attached)	0.00	0.00	0.00
5 6 7 8 9 10	Non-Personnel Supplies Telephone Postage & Shipping Occupancy Equipment Rental & Maintenance Printing & Publications	0.00	0.00	0.00
11, 12	Travel/ Conferences & Meetings (detail attached)	0.00	0.00	0.00
13	Interest	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation	0.00	0.00	0.00
18	Other Non-Personnel	0.00	0.00	0.00
20	Capital Purchase	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	<b>GRAND TOTAL</b>	0.00	0.00	0.00

